

AN ANALYSIS OF THE LABOR FORCE OF NORMAN, OKLAHOMA

A SUMMARY REPORT PRESENTED TO

Norman Economic Development Coalition

and

Oklahoma Department of Commerce

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Introduction

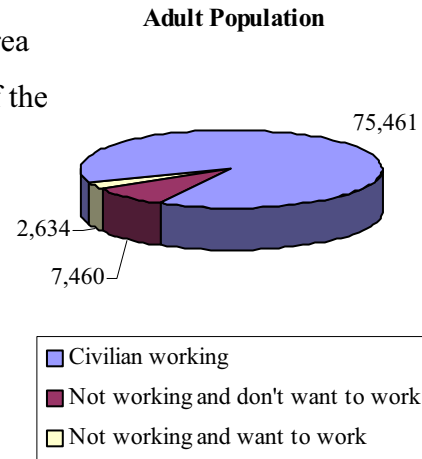
Sponsored by the Norman Economic Development Coalition and the Oklahoma Department of Commerce, this report is the latest in a series of local labor force studies in Oklahoma. The report examines the availability of labor in Norman, southern Cleveland County, and portions of McClain County in central Oklahoma. These areas comprise the 'labor market area' referred to in this report.

The data contained in this report were collected by telephone from randomly selected adults in the spring of 2004 by the Public Opinion Learning Laboratory at the University of Oklahoma. The results are based on 454 interviews of persons 18 years old or older who reside in areas served by the telephone prefixes for localities in the areas listed above. The number of interviews completed by county is shown in the Appendix. Results are subject to a sampling error of +/- 3.0 percentage points with a confidence level of 95 percent.

REPORT HIGHLIGHTS

- A total of 19,325 workers are either actively looking for other work or willing to change jobs for the right opportunity.
- An estimated 6,816 workers are Underemployed.
- In addition to the Underemployed, 12,509 workers have looked for other work during the previous three months.
- The Underemployed exhibit a variety of occupations and skills.
- About 38.6 percent of Underemployed workers hold at least a bachelor's degree.
- The typical Underemployed worker is willing to change jobs for an increase in pay of 10% to 15%.
- A job that pays \$10 an hour is viewed as attractive by 1,818 Underemployed and 1,831 workers looking for other work.

Of the 85,584¹ adults who reside in the labor market area 75,461 are employed amounting to about 88 percent of the population 18 years old or more. Approximately 88 percent live in Cleveland County with the rest residing in McClain County.



As is the case in any labor market area, a significant number of adults do not work outside the home

including retirees, students, homemakers, the disabled, and the unemployed.

Approximately 10,094 adults in the study area are presently not working. Most

Persons Not Working			
<u>Reason Not Working</u>	<u>Want to Work</u>	<u>Don't Want to Work</u>	<u>Total</u>
Retired	256	3,262	3,519
Disabled or unable to work	278	752	1,031
Don't work outside the home	461	762	1,223
Student	98	0	98
Family responsibilities	0	0	0
Just moved into area	0	0	0
Laid off, lost job	0	0	0
Don't have reliable transportation	13	0	13
Other	1,528	2,683	4,211
Total	2,634	7,460	10,094

(7,460) do not desire to work citing as reasons retirement, inability to work, or a preference not to work outside the home (table). A smaller number of adults (2,634) want to work; this group consists primarily of persons who have recently lost their jobs, students, persons who want to go back to work, and homemakers who are looking for work outside the home. Only a small portion of those who want to work could be classified as unemployed. Using the U.S. Department of Labor definition, a person is unemployed if he or she is without work and engages actively in job-searching activities. Using this definition, approximately 3.4 percent of the labor force in the Cleveland County – McClain County area was unemployed on average during the second quarter of 2004, according to figures obtained from the U.S. Bureau of Labor Statistics.

¹ Excludes institutionalized population.

Education

The percentage of workers with at least a Bachelor's degree is much higher than the Oklahoma state average (table). More workers in the labor market area have completed at least some college, compared with state averages.

Highest Level of Education of Working Persons 18 Years Old or Older (percent)		
	Labor Market	
<u>Level of Education</u>	<u>Area</u>	<u>State</u>
Less than high school	3.9	10.8
High school	14.5	37.0
Some college	31.3	20.1
Associate degree	4.8	6.5
Bachelors degree	28.9	16.2
Postgraduate degree	15.3	9.4
Bachelors degree or higher	44.2	25.7

Note: State averages are compiled from the Current Population Survey conducted in March 1999 by the U.S. Census Bureau

Household Mobility

Many households are very mobile, moving from one residence to another after a stay of only a few years. Compared with five years ago, 19.9 percent of households lived in a different residence in the same county, 17.5 percent lived in a different county in Oklahoma, and 12.4 percent lived in a different state. In all, 50.4 percent of households lived in a different house or apartment five years ago. The Underemployed are the most mobile of households: 73.9 percent lived in a different residence in the same county, different county or different state five years ago compared with 59.1 percent for Job Shifters and 46.5 percent for Job Keepers.

Type of Employment

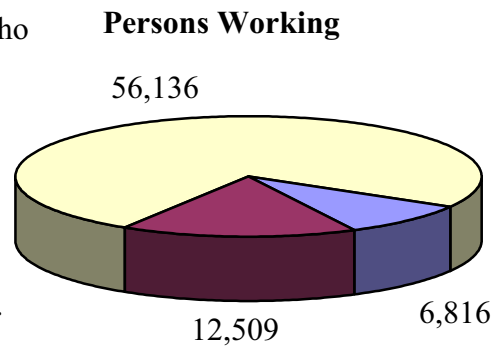
Sixty-eight percent of civilian workers have full-time, permanent jobs. A significant proportion of civilian workers have part-time jobs, about one in four. About 30.8 percent of part-time workers would like to work full-time. Health and medical limitations, business conditions, and child and family considerations are given as reasons why some are working part-time and not full-time (table).

Type of Employment	
Full-time	
Permanent	50,864
Temporary	2,358
Unknown	3,776
Part-time	
Permanent	11,614
Temporary	1,743
Unknown	4,106
Total	74,461

Reasons for Working Part-time (percent)	
Could only find part-time work	6.3
Retired / Social Security limit on earnings	3.5
Child care obligations /problems	13.3
Other family / personal obligations	12.6
School / training	2.8
Health / medical limitations	28.0
Slack work / business conditions	16.0
Other	1.6

Availability of Labor

This study identified 19,325 workers who are readily available for other work, including workers who have looked for other work during the past three months (Job Shifters), and workers who are Underemployed. In addition to these two types of workers, the study identified workers who are neither Underemployed nor looking for other work (Job Keepers), and persons who are not working but want to work (Job Seekers).



■ Underemployed
 ■ Looking for other work
 ■ Rest of employed

Job Shifters

Approximately 12,509 workers in the labor market area looked for other work during the previous three months. Most engaged in what the U.S. Bureau of Labor Statistics refers to as active job-search methods, including contacting employers and employment agencies, sending out resumes and completing employment applications, and answering help wanted ads (table).

Jobsearch Methods Used by Workers Looking for Other Work	Number of	
	<u>Workers</u>	<u>Percent</u>
<i>Active Jobsearch Methods</i>		
Contacted employer directly / interview	6,721	53.7
Contacted public employment agency	157	1.3
Contacted private employment agency	161	1.3
Contacted friends or relatives	0	0.0
Contacted school / university employment center	0	0.0
Sent out resumés / filled out applications	0	0.0
Checked union / professional registers	0	0.0
Placed or answered ads	0	0.0
<i>Passive Jobsearch Methods</i>		
Looked at want ads	4,988	39.9
Attended job training programs / courses	0	0.0
At least one <i>active</i> jobsearch method	7,040	56.3
Note: more than one jobsearch method is possible.		

Underemployed

This study estimates that 6,816 workers in the labor market are Underemployed, 8.8 percent of all workers. In order to be classified as Underemployed in this study, all three of the following conditions must be satisfied.

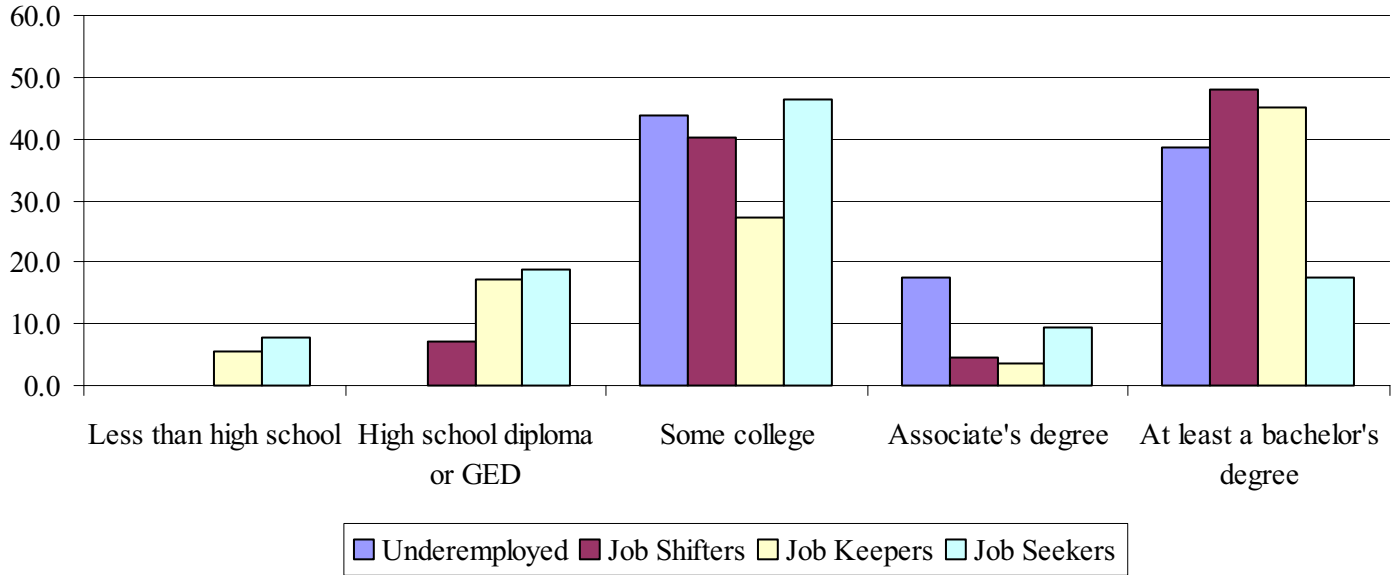
The worker must:

- feel underutilized in present employment,
- possess training or education that is not required by his or her current job, and
- be willing to change jobs in order to better utilize his or her skills and education.

Characteristics of Workers

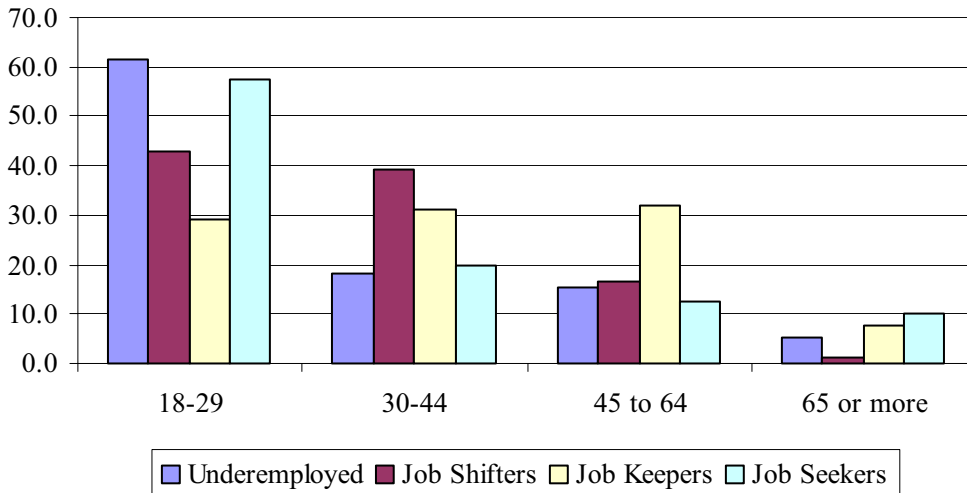
The Job Shifters have the highest percentage of college graduates, about 48.1 percent, followed by the Job Keepers (45 percent), Underemployed (38.6 percent) and the Job Seekers (17.4 percent).

Civilian Workers by Level of Education



The Underemployed are the youngest while Job Seekers are the oldest group. The Job Keepers have the largest percentage in the 45 to 64 age group.

Civilian Workers by Age Group



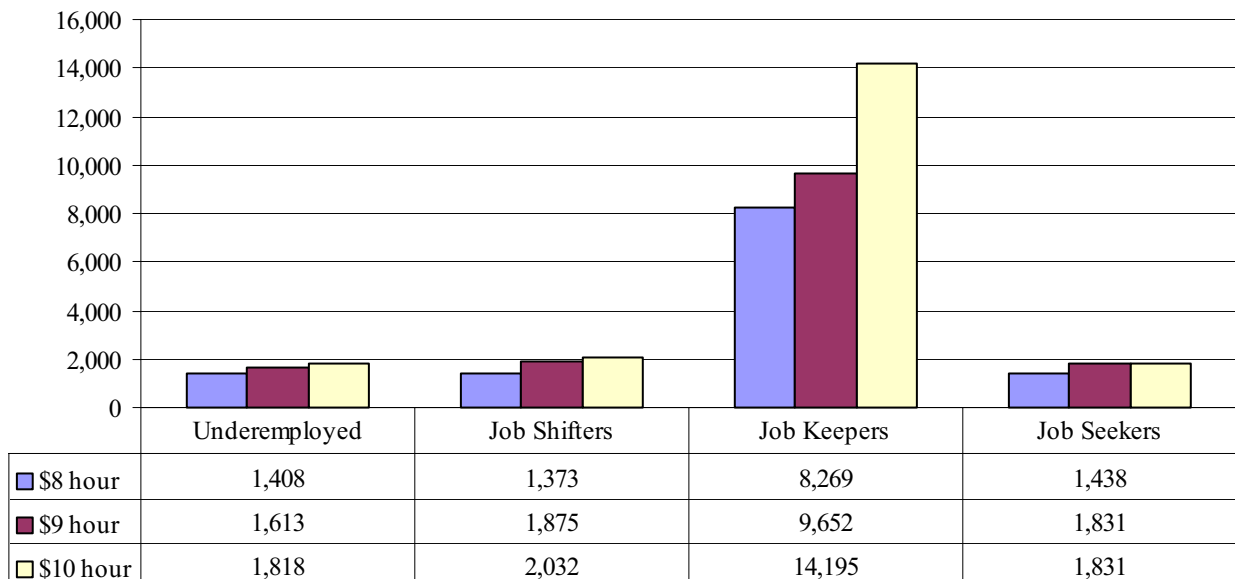
The Underemployed, Job Seekers, and Job Shifters are all predominately male while the Job Keepers are predominately female.

Workers by Gender



About 1,408 Underemployed workers finds a wage of \$8 per hour desirable, while 1,373 Job Shifters, 8,269 Job Keepers, and 1,438 Job Seekers do so. For a wage offer of \$9 per hour the number of available workers increases by about 19 percent, rising another 37 percent for a wage of \$10 per hour.

Number of Persons Willing to Work by Wage Rate



The attractiveness of a particular wage rate varies greatly with the worker's level of education. For example, only 4.5 percent of workers with Bachelor's degrees find \$8 per hour attractive compared with 17.2 percent of those with two years of college or Associate's degrees and 37.5 percent of those with only a High School diploma (see Table 2 in the Appendix).

The Underemployed and Job Shifters display a variety of occupations and skills, from executives and other professionals to craftsmen and clerks. The largest occupations are Executive, Administration and Managerial occupations (5,102), Administrative Support (3,194), Sales (2,676), and Professional Specialty (2,654).

	Job		<u>Total</u>
	<u>Underemployed</u>	<u>Shifters</u>	
Executive, Administrative, and Managerial	1,306	3,796	5,102
Professional Specialty	389	2,265	2,654
Technicians and Related Support	988	966	1,954
Sales	1,581	1,095	2,676
Administrative Support, including Clerical	1,198	1,996	3,194
Service Occupations	157	1,057	1,214
Farming, Forestry, and Fishing	0	391	391
Precision Production, Craft, and Repair	599	368	967
Machine Operators, Assemblers, and Inspectors	0	0	0
Transportation and Material Moving	0	0	0
Other	598	575	1,173
	6,816	12,509	19,324

Workers with workplace skills that are not being used offer potential recruits for employment opportunities that better use their skills. This study found that 20.9 percent of those with skills not presently in use have computer skills of one type or the other (see Table 5 in the Appendix). Knowledge of word processing was most often mentioned, followed by spreadsheet analysis (table).

Workers with Computer Skills (among workers with skills not in use)			
		Job	
<u>Strongest Computer Skill (percent)</u>	<u>Underemployed</u>	<u>Shifters</u>	<u>Total</u>
Word processing (MS-Word)	1,053	297	1,349
Spreadsheet analysis (Excel, Lotus)	0	205	205
Bookkeeping (Quicken)	0	0	0
Computer programming (C, SAS, SPSS)	297	599	896

About 67 percent of the Underemployed and 55 percent of Job Shifters are willing to change jobs for an increase in pay of 15 percent or less (table), a potential pool of workers of numbering 11,462. The median Job Keeper, however, would require a raise of more than 20 percent to change jobs. In addition, 21 percent of Job Keepers are not interested in changing jobs regardless of the increase in pay.

Workers Willing to Change Jobs by Percent Pay Raise			
		Job	Job
<u>Desired raise in pay</u>	<u>Underemployed</u>	<u>Shifters</u>	<u>Keepers</u>
Less than 5%	891	1,564	2,167
Between 5% and 10%	2,752	2,685	7,039
Between 10% and 15%	914	2,658	7,666
Between 15% and 20%	896	804	5,606
More than 20%	1,364	4,408	18,899
Not interested	0	0	11,774
Don't know	0	0	1,865
Refused	0	0	161
Other	0	391	863
Total	6,816	12,509	56,041

Fifty-seven percent of all workers drive at 10 miles or less to work, and about 21 percent drive between 11 and 20 miles. Commuting distances for the Underemployed, Job Shifters, and Job Keepers are similar (table).

	<u>All Workers</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
0 - 5 miles	35.6	33.5	34.8	41.7
6 - 10 miles	21.2	18.4	19.1	24.9
11 - 20 miles	20.7	23.3	21.6	13.6
21 - 30 miles	9.7	11.4	13.5	6.4
30 - 50 miles	9.3	9.4	7.7	10.9
More than 50 miles	0.5	0.7	1.1	0.0

About 28 percent of both the Job Shifters and Job Keepers are willing to commute 31 miles or more to a job while a larger proportion of the Underemployed (30.5 percent) are willing to commute that distance.

Willingness to Commute



Conclusions

- A significant pool of available labor exists in the labor market area among the Underemployed (6,816 workers) and among workers looking for other jobs or Job Shifters (12,509 workers).
- Many underemployed workers are searching for higher paying jobs.
- The underemployed exhibit a variety of occupations and skills.
- A smaller pool of labor exists among those not working who desire work (Job Seekers). Job Seekers typically are less skilled and not as well educated as most workers.

Appendix: Distribution of Interviews by County

<u>Area</u>	<u>Interviews</u>
Cleveland County	379
McClain County	66
Total	445